

In the Matter of:)
)
Application for Certification) Docket No.
for Inland Empire Energy Center,) 01-AFC-17
(IEEC) LLC)
)
)

PERRIS, CALIFORNIA

1:07 p.m.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

Robert Pernell, Presiding Member

HEARING OFFICER, ADVISORS PRESENT

Kerry Willis, Hearing Officer

E.V. (Al) Garcia, Advisor

STAFF AND CONSULTANTS PRESENT

Paul Kramer, Staff Counsel

James Bartridge, Siting Project Manager

PUBLIC ADVISER

Roberta Mendonca

APPLICANT

Greggory L. Wheatland, Attorney
Ellison, Schneider and Harris, LLP

Michael A. Hatfield, Manager, Project Development
Jim McLucas, Regional Engineer
Kris Helm, Consultant
Calpine Corporation

Gary S. Rubenstein
Sierra Research

Jenifer Morris, Managing Director
NJ Resources, LLC

ALSO PRESENT

John Yee
Li Chen
South Coast Air Quality Management District

George Olinger

Richard Ward

ALSO PRESENT

Robert Gibbons, Chairman
Harvest Valley Citizens Patrol
Harvest Valley Community Council
Romoland School Board Trustee

Dulce Huertero

Tino Estrada

Stephanie Wiggins, Rail Department Manager
Riverside County Transportation Commission

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

I N D E X

	Page
Proceedings	1
Opening Remarks	1
Introductions	1
Public Adviser Mendonca	3
Background and Overview	4
Hearing Officer Willis	4
Prehearing Conference Statements	7
Outline C	8
Applicant	8,15/16,23,
CEC Staff	12/13,18,26
Outline B	26
Applicant	26
CEC Staff	28
Outline A	29
Applicant	29
CEC Staff	30
Time Limits	32
Public Comment	34
Robert Gibbons	34
George Olinger	35
Richard Ward	39
Dulce Huertero	45

I N D E X

	Page
Public Comment - continued	
Tino Estrada	48
Schedule	52
Brief Filing	58
CEC Staff	58
Closing Remarks	61
Adjournment	61
Reporter's Certificate	62

P R O C E E D I N G S

1:07 p.m.

PRESIDING MEMBER PERNELL: Good

afternoon. This is a prehearing conference on the Inland Empire Energy Center, LLC, application for certification of the Inland Empire Energy Center.

Before we begin I'd like to introduce the Committee and then ask the parties to identify themselves for the record. My name is Commissioner Robert Pernell; I'm the Presiding Member of this Committee.

The Associate Member is Commissioner Boyd, who was unable to be here this afternoon. To my left is my Advisor, Mr. Garcia, Al Garcia. To my right is our Hearing Officer, Ms. Willis, Kerry Willis.

And at this time I'd like the applicant, Mr. Wheatland, would you introduce your team?

MR. WHEATLAND: Yes. Good afternoon; I'm Gregg Wheatland; I'm the attorney for the applicant. I'll ask the others sitting at the table here with me to introduce themselves.

In addition, we have others who are available to participate today, as they come before the Committee later today. They can

1 introduce themselves at that time.

2 But, if you'd introduce yourself,
3 please.

4 MR. HATFIELD: Commissioner, I'm Mike
5 Hatfield with Calpine; I'm the Project Manager for
6 the Inland project.

7 PRESIDING MEMBER PERNELL: Welcome.

8 MR. HATFIELD: Thank you.

9 MS. MORRIS: And I'm Jenifer Morris; and
10 I'm working for Calpine as their Environmental
11 Project Manager through the CEC process.

12 PRESIDING MEMBER PERNELL: Welcome.
13 Staff, please.

14 MR. KRAMER: Good afternoon; I'm Paul
15 Kramer, Staff Counsel for this case; and with me
16 is Jim Bartridge, the Project Manager.

17 PRESIDING MEMBER PERNELL: Okay. Do we
18 have any intervenors at this time that's
19 intervening in the case. I don't have an
20 indication of any. Okay.

21 What about agencies, any state agencies?
22 Would you just come up to the mike and introduce
23 yourself for the record, please.

24 MR. YEE: Commissioner, my name's John
25 Yee. I'm with the South Coast Air Quality

1 Management District. And I have with me also an
2 engineer, Li Chen.

3 PRESIDING MEMBER PERNELL: Welcome. Any
4 other agencies? Okay. Is there anyone
5 representing organizations in the public? Seeing
6 none, our -- oh, yes, sir.

7 MR. GIBBONS: I'm Bob Gibbons; I'm
8 representing Harvest Valley Citizens Control and
9 Harvest Valley Community Council.

10 PRESIDING MEMBER PERNELL: Okay, thank
11 you, Bob. Okay, our Public Adviser, Ms. Roberta
12 Mendonca.

13 MS. MENDONCA: Good afternoon, I'm the
14 Energy Commission's Public Adviser, and I want to
15 welcome you all here today.

16 Today's meeting is a prehearing
17 conference, which means there's going to be a lot
18 of discussion about how ready the parties are to
19 go forward to the decision-making phase of this
20 case.

21 But there is an opportunity for public
22 comment, and I would encourage you to fill out a
23 blue card and just kind of hold it up. I'll come
24 by and pick that up. We'll get it to the dais,
25 and you'll be called on when there's an

1 opportunity for the public to be making their
2 comments.

3 Thank you very much. Also, I wanted to
4 encourage you to sign on the sign-in sheet so that
5 you get future notice of next meetings and
6 upcoming meetings. You can sign on for mail
7 notice or electronic email notice. And my office
8 will be glad to be of assistance to you for that
9 process.

10 Thank you.

11 PRESIDING MEMBER PERNELL: Thank you,
12 Ms. Mendonca. At this time I'd like to turn the
13 hearing over to our Hearing Officer Ms. Willis.

14 HEARING OFFICER WILLIS: Thank you.
15 Good afternoon. The AFC review process is public
16 proceeding. Members of the public and interested
17 organizations are invited to participate and
18 express their views on matters related to the
19 proposed project.

20 If anybody would like to move up to the
21 table you're more than welcome to; there's plenty
22 of room and we'd like to make this as, you know,
23 informal as possible.

24 On August 8, 2001, the Inland Empire
25 Energy Center, LLC, filed an application for

1 certification to build the Inland Empire Energy
2 Center near the community of Romoland in the
3 County of Riverside about six miles west of the
4 City of Hemet and four miles east of the City of
5 Perris.

6 Staff filed its preliminary staff
7 assessment on July 19, 2002, and the final staff
8 assessment, which is commonly called the FSA, was
9 filed on May 23rd of this year.

10 The final determination of compliance by
11 the Air District was filed on March 3, 2003, and
12 then an addendum was filed on April 25th.

13 The basic purposes of the prehearing
14 conference are to assess the parties' readiness
15 for hearings, and to clarify issues of agreement
16 or dispute, to identify witnesses and exhibits, to
17 determine upon which the areas parties desire to
18 cross-examine witnesses from other parties, and to
19 discuss associated procedural items.

20 To achieve these purposes we required in
21 the prehearing conference notice that any party
22 desiring to participate at this conference, to
23 present direct witnesses or cross-examine
24 witnesses file a prehearing conference statement
25 on June 18, 2003.

1 Timely prehearing conference statements
2 were filed by the applicant and staff.

3 The statements indicate that there are
4 several technical areas in dispute. For the
5 undisputed topics the parties may wish to submit
6 testimony and documentary evidence by declaration.
7 And we will allow the testimony to be submitted by
8 declaration at the evidentiary hearings. With the
9 understanding, however, that parties shall have
10 the opportunity to cross-examine witnesses if
11 requested in a timely manner.

12 We will establish a deadline in a
13 hearing order for parties to notify us if they
14 desire to cross-examine another party's witness.

15 To insure a complete record we will
16 direct applicant to provide a live witness to
17 testify on project description. And that can be
18 brief, just you know, ten minutes, or just so that
19 we have that on record.

20 Today's agenda is basically divided into
21 three parts. First we'll discuss matters
22 contained in the prehearing conference statements.
23 Next we'll discuss areas of options for proceeding
24 with this case. And finally we will provide an
25 opportunity for public comment.

1 I do have a few copies of the outline
2 and how we would like to present the witnesses.

3 (Pause.)

4 HEARING OFFICER WILLIS: First let's
5 start with the discussion of the prehearing
6 conference statements. This portion of the
7 conference will be basically devoted to clarifying
8 and/or verifying the information contained in the
9 prehearing conference statements filed by staff
10 and applicant.

11 For purposes of this discussion we will
12 proceed with each party in turn. What I'd like
13 each party to do is focus on the list of topics
14 reflected in the discussion outlines A, B, C and I
15 have D, but I don't think that we have any topics
16 that fall in that area. And let me know that they
17 accurately reflect the categorization of the
18 various topics.

19 The first outline is outline A, and
20 those are topics suitable for submission by
21 declaration and no further clarification is
22 needed.

23 Outline B are topics that are
24 potentially suitable for submission by
25 declaration. There might be some minor

1 clarification or there might be some changes
2 submitted by the applicant.

3 Outline C are topics that are ready for
4 hearing and that there appears to be some dispute.

5 And outline D, which I don't have a copy
6 of, would be topics that are not ready for
7 hearing. And that would be if we decide that air
8 quality would not -- to go forward at this time.

9 So, if you'd turn to the first outline,
10 I'd like to start first with --

11 PRESIDING MEMBER PERNELL: Excuse me,
12 Ms. Willis. Let me -- are there any questions on
13 the way we're going to proceed from either staff
14 or the applicant?

15 MR. WHEATLAND: No questions.

16 MR. KRAMER: No.

17 PRESIDING MEMBER PERNELL: Okay.

18 HEARING OFFICER WILLIS: Why don't we go
19 backwards and start with outline C, because those
20 are the disputed topics. And we can tie that into
21 the applicant's prehearing conference statement.
22 I'm looking at page 2.

23 First I'd like to start with air quality
24 and ask Mr. Wheatland if you could clarify -- have
25 someone in your group clarify the status of the

1 reclaimed trading credits and other ERCs that were
2 identified by staff as, I guess, not being -- not
3 being identified.

4 MR. WHEATLAND: Yes, we'd be happy to do
5 that. Gary, --

6 PRESIDING MEMBER PERNELL: Mr.
7 Wheatland, we need to get the mike a little closer
8 to you, I think.

9 MR. WHEATLAND: All right. We'll lead
10 with Gary. Go ahead and introduce yourself.

11 MR. RUBENSTEIN: My name is Gary
12 Rubenstein. We're air quality consultants for the
13 project.

14 Ms. Willis, the status with respect to
15 the emission reduction credits and reclaimed
16 trading credits for this project are as follows:

17 The applicant has acquired all of the
18 emission reduction credits necessary for its
19 emissions of VOC, or volatile organic compounds
20 and carbon monoxide. Those credits have been
21 identified in the final determination of
22 compliance; and I don't believe there's any
23 dispute about that.

24 With respect to sulfur dioxide and
25 particulate matter, the applicant has indicated

1 that the two options it is pursuing at this
2 moment, one for each of those pollutants, is the
3 use of the priority reserve established by the
4 South Coast District.

5 That has been identified in both the
6 final determination of compliance and in the staff
7 assessment. I don't believe there's any dispute
8 about that. Those credits have been specifically
9 identified.

10 There is another option that the
11 applicant is pursuing for PM10 credits. We
12 recognize that at this point that option has not
13 been fully evaluated by either the South Coast
14 District or the Commission Staff. And
15 consequently we would need to come back for an
16 amendment if we were to pursue that option. And
17 so we understand that; and, again, I don't think
18 there's any dispute on that aspect.

19 HEARING OFFICER WILLIS: Would that be
20 road paving?

21 MR. RUBENSTEIN: That's correct.

22 And then lastly, and I think this is the
23 only area where there is an issue that has been
24 raised, is the question regarding the reclaimed
25 trading credits.

1 The applicant has procured, at this
2 point, only a very small fraction of the credits
3 that are required for the project. Under the
4 South Coast District's rules, those credits have
5 to be acquired and deposited in your account, if
6 you will.

7 Think of it as a bank account that you
8 have to fund before you operate in any given year.
9 Those credits have to be acquired and deposited in
10 your account prior to the start of operation in
11 each calendar year. It's an ongoing type of a
12 program in contrast to the emission reduction
13 credits, where you acquire the credits once and
14 you have them for the life of your project.

15 I think the only issue that is
16 outstanding regarding the reclaimed trading
17 credits is whether the applicant has sufficiently
18 identified the source of those RTCs.

19 At the present time our proposal is to
20 make a demonstration to the staff and to the
21 Committee that the reclaimed trading credit market
22 is a sufficiently fluid market that if we can
23 identify that there's a sufficient quantity of
24 credits that are available, that it is not
25 necessary for us to identify a specific seller.

1 The reclaimed credit market is very
2 different than the emission reduction credit
3 marketing that you're more familiar with. In the
4 emission reduction credit market in some cases you
5 can find the market severely constrained.

6 The reclaimed market isn't quite like
7 going to the grocery store and buying a pound of
8 potatoes, but it's about as close as you get in
9 the air pollution world.

10 And our --

11 MR. KRAMER: I'd object to Mr.
12 Rubenstein basically giving the Committee a
13 preview of his testimony without the staff having
14 an opportunity to provide immediate rebuttal. We
15 obviously weren't prepared for that today, because
16 that's not the purpose of this hearing.

17 HEARING OFFICER WILLIS: No, --

18 MR. KRAMER: I think he's already --
19 he's described his proposed demonstration in
20 sufficient terms, I believe.

21 HEARING OFFICER WILLIS: Why don't I ask
22 another question. Are you planning on meeting,
23 then, with the staff at what time to provide them
24 with this information?

25 MR. RUBENSTEIN: It's my understanding

1 that there's been a discussion about a possible
2 workshop to discuss conditions of certification.
3 And we would propose to have more substantive
4 discussions with the staff at that time.

5 I assume that that's going to come up
6 some time later today.

7 HEARING OFFICER WILLIS: Mr. Wheatland,
8 do you have a date or --

9 MR. WHEATLAND: Yes, we have discussed
10 with the staff two dates to have the discussion on
11 the issues that are potentially disputed. We have
12 discussed many on July 8th on the subject of air
13 quality issues. And on July 14th on other issues
14 that can be potentially disputed -- I'm sorry --

15 MR. KRAMER: I think the 14th was the --

16 MR. WHEATLAND: The 14th.

17 PRESIDING MEMBER PERNELL: July 8th and
18 July 14th?

19 MR. WHEATLAND: Those are the dates that
20 we have discussed.

21 HEARING OFFICER WILLIS: I may comment
22 on that in a moment, but let's move on. Staff, is
23 there anything you'd like to have an opportunity
24 to discuss on air quality before we move on to the
25 next point that applicant brings up?

1 MR. KRAMER: The next topic or --

2 HEARING OFFICER WILLIS: Well, actually
3 there are a couple of points they brought up
4 during, under air quality.

5 MR. KRAMER: Right.

6 HEARING OFFICER WILLIS: -- wanted to
7 talk about the availability or identification of
8 credits at this point.

9 MR. KRAMER: No, I don't think we have
10 anything more to say about reclaimed at this
11 point.

12 HEARING OFFICER WILLIS: All right.

13 MR. RUBENSTEIN: Ms. Willis, can we ask
14 for confirmation that the staff concurs that the
15 only issue is the identification of the reclaimed
16 trading credits on that particular aspect?

17 I discussed emission reduction credits
18 and reclaimed trading credits, and applicant's
19 understanding is that the only issue relates to
20 the identification --

21 PRESIDING MEMBER PERNELL: All right,
22 let me just interrupt you here. Are you
23 addressing that question to the Committee, which
24 is what you're supposed to be doing?

25 MR. WHEATLAND: Yes, we're asking that

1 question through the Committee.

2 PRESIDING MEMBER PERNELL: Okay. What
3 is the question?

4 MR. RUBENSTEIN: I'm sorry, Commissioner
5 Pernell. The question was whether the applicant's
6 characterization that on the issue of credits the
7 only potential area of dispute with the staff
8 relates to whether the applicant has adequately
9 identified reclaimed trading credits.

10 MR. KRAMER: I believe that's correct.
11 We treat the use of the priority reserve as an
12 adequate identification for those credits, for
13 instance.

14 PRESIDING MEMBER PERNELL: Okay.

15 HEARING OFFICER WILLIS: So that's an
16 issue that will be discussed then on the 8th of
17 July, okay.

18 Now, on to the other points brought up
19 in the applicant's prehearing conference
20 statement. The second point under air quality was
21 Commission Staff's proposed conditions must be
22 consistent with the South Coast Air Quality
23 Management District's final determination of
24 compliance.

25 Is that another topic that would also be

1 discussed on the 8th? It was so vague and general
2 I really don't know what it refers to.

3 MR. RUBENSTEIN: Yes, it would. This
4 has to do with our desire to seek consistency
5 between the two sets of conditions, and we would
6 be discussing that with the staff on the 8th.

7 HEARING OFFICER WILLIS: The third point
8 was condition Com-8, which is our compliance
9 section, must be consistent with condition air
10 quality SC-10.

11 MR. RUBENSTEIN: I believe that might be
12 Com-15?

13 HEARING OFFICER WILLIS: It says Com-8,
14 and it didn't make any sense because that's on the
15 security issues.

16 MR. RUBENSTEIN: I think it was a
17 typographic error.

18 MR. WHEATLAND: Yes, it should be
19 referring to Com-15.

20 HEARING OFFICER WILLIS: Okay.

21 MR. RUBENSTEIN: And the two related
22 issues there are whether, or making that condition
23 consistent with the corresponding air quality
24 condition and then, in turn, making the
25 corresponding air quality condition consistent

1 with the underlying South Coast District
2 requirement.

3 HEARING OFFICER WILLIS: And that will
4 be discussed during your workshop, as well?

5 MR. RUBENSTEIN: Yes.

6 HEARING OFFICER WILLIS: And under air
7 quality were construction impact conditions must
8 be improved to allow orderly construction of the
9 project. I'm not quite sure how that's an air
10 quality issue, but maybe someone can explain it.

11 MR. RUBENSTEIN: I believe that relates
12 to the air quality construction mitigation
13 conditions, AQSC-1 through AQSC-5 or 6. And those
14 will also be discussed on the 8th. That's an
15 issue that crops up in most proceedings, and we
16 hope to resolve that with the staff.

17 HEARING OFFICER WILLIS: So, at this
18 point, it looks like air quality, unless there's
19 some resolution through your workshop, we would go
20 ahead and have that as one of our hearing items.
21 We'll have to set a deadline if you'll let us know
22 if the issues have been agreed upon.

23 The next area was visual resources. And
24 I believe that's regarding architectural
25 treatment.

1 MR. WHEATLAND: There are three
2 conditions in the area of visual resources that
3 are potentially in dispute. And I should say that
4 the applicant is hopeful that with the workshop
5 with the staff we will be able to have resolution
6 of these issues.

7 Those concern conditions Vis-3, Vis-8
8 and Vis-9. Vis-9 concerns the visual plume issue
9 and it may be that we will ask to have that
10 discussed during the discussion of the air quality
11 issues on July 8th.

12 HEARING OFFICER WILLIS: Thank you.
13 Staff, is there any comment on that?

14 MR. KRAMER: I gather Mr. Rubenstein,
15 asking to the Committee, is then your witness on
16 visual plume, is that right? Is that why you need
17 it on the 8th?

18 MR. WHEATLAND: Yes, that's correct.

19 MR. KRAMER: No. We're willing to
20 discuss those issues. Vis-9, I'll just note for
21 the record, the first time we heard that it was an
22 issue was shortly before we began today.

23 And that does raise a theme here. Now
24 is probably as good a time as any for me to
25 mention it. As Ms. Willis noted, what we have

1 thus far is by and large a vague description of
2 the applicant's concerns and proposals. And
3 that's made it somewhat difficult for us to
4 respond in a meaningful way.

5 We have offered the applicant a workshop
6 sometime after they provide us written comments so
7 we can pass those among the staff and digest them
8 and be prepared to discuss things in a workshop.

9 But it's very likely that we're going to
10 have either some new testimony or perhaps even new
11 witnesses that we haven't yet identified simply
12 because we don't know all that's on the table.

13 It may also be difficult for us to
14 categorize some of the other topics for certain in
15 either categories A or B because we don't know the
16 full extent of the list of their suggestions. I
17 don't know that it's going to be confined to these
18 three topic areas.

19 But, you know, we're willing to work as
20 quickly as we can in a reasonable fashion to try
21 to resolve things, and then report back the nature
22 of any remaining disputes.

23 PRESIDING MEMBER PERNELL: All right,
24 Mr. Wheatland, is there adequate information for
25 staff to evaluate so that they can -- we can have

1 a meaningful workshop on whatever dates are --

2 MR. WHEATLAND: Oh, yes, I'm fully
3 expecting that there will be meaningful
4 information. We are following the normal
5 proceeding in any AFC proceeding, which is once
6 the FSA has been issued the applicant is going
7 through it section-by-section, word-by-word. And
8 we are trying to sort out those issues that
9 involve minor issues of correction or
10 clarification. We have agreed to provide the
11 staff with a list of those by next Monday.

12 And we have also identified those areas
13 that are of more substantive dispute; and those
14 were provided in the prehearing conference
15 statement that we filed.

16 So, we would expect that by next Monday
17 the staff will have a list of our concerns and
18 corrections for each of the sections of the FSA.
19 And that will then provide them a period to review
20 it before we would begin with the workshops on
21 July 8.

22 HEARING OFFICER WILLIS: Can I also
23 request that in areas such as air quality where
24 you just have a general statement the construction
25 impact conditions must be improved, that you

1 provide staff with wording that would allow them
2 to fully evaluate what you mean by improved.

3 In areas where the language is very
4 vague in this prehearing conference statement that
5 you provide them with specific language so that
6 they can work from there.

7 MR. WHEATLAND: Right, oh, absolutely,
8 that is absolutely our intent for each of the
9 areas that are in dispute. We will be suggesting
10 specific language that will help to resolve our
11 concerns.

12 The reason for the level of ambiguity
13 here is basically because I understood from
14 counsel that this was not the time and place to
15 argue the substance of the issues, but merely to
16 identify them.

17 But we will be giving the staff, well
18 before the workshops and well before the
19 evidentiary hearings, a complete indication of our
20 proposed recommendations in each of these subject
21 areas.

22 HEARING OFFICER WILLIS: The timing may
23 be critical, as we had planned on having the
24 hearings on the 30th. And you're talking about
25 having a workshop just two weeks before. So, I'm

1 a little concerned about the timing of the second
2 workshop that it may need to be moved up a bit to
3 accommodate that schedule. Because I would expect
4 that your testimony would be filed at least two
5 weeks prior to the hearing.

6 MR. WHEATLAND: Yes. We had also
7 intended to file our testimony at least two weeks
8 prior to the hearing. But, what we'll be doing in
9 these areas is basically to the extent that we can
10 reach resolution with the staff we will be -- this
11 is an issue that's taken off the table and taken
12 out of our testimony.

13 So, at least from the applicant's
14 perspective, it will be fairly easy to delete
15 these items, and then file our testimony promptly
16 after the workshops.

17 We've also discussed with the staff
18 providing them additional time after the filing of
19 our testimony if they would like to file any
20 additional testimony or corrections to their own
21 testimony.

22 HEARING OFFICER WILLIS: We still would
23 like a good two weeks, though, before we get --
24 the Committee would like that time.

25 Let's go on to water resources. Can you

1 identify which issues in water resources, if
2 there's specific conditions?

3 MR. WHEATLAND: Yes, Kris, can you come
4 up, please.

5 MR. HELM: Soil and water conditions 1,
6 2 and 3 relate to stormwater. And the areas of
7 dispute are primarily in the fact that the staff
8 would act for other state agencies to approve our
9 plan, but wouldn't act on behalf of those
10 agencies, we'd still be required to comply with
11 the regulations of the Regional Water Quality
12 Control Board, and act and apply and receive
13 approval.

14 I'm sorry, I'm Kris Helm, K-r-i-s
15 H-e-l-m, water resources consultant with the
16 applicant. I apologize.

17 HEARING OFFICER WILLIS: Okay, --

18 MR. HELM: And then the --

19 HEARING OFFICER WILLIS: -- and then
20 what other, after that?

21 MR. HELM: And then soils and water-4
22 and -5 relate to Eastern Municipal Water
23 District's operation of their reclaimed water
24 system. And reporting and limiting the amount of
25 fresh water that could be put into the reclaimed

1 water system for our indirect benefit.

2 And we are trying to craft alternative
3 language that might be acceptable to the staff,
4 and would not create either an undue
5 administrative burden upon the applicant, or
6 limits that we would not be in control of meeting.

7 HEARING OFFICER WILLIS: One of the
8 things I would like you to do, and that probably
9 would be in water and soils, and also under
10 project description, is clarify the amount of
11 recycled water you're intending to use. And what
12 years.

13 Because I noticed there was a data
14 request number 81, which was way different than
15 the AFC number. So I just want to make sure in
16 your --

17 MR. HELM: Right, the --

18 HEARING OFFICER WILLIS: -- testimony
19 that you've clarified exactly what you're
20 intending to propose.

21 MR. HELM: Yes. We are proposing only
22 to use water from the reclaimed system, and so we
23 have gotten --

24 HEARING OFFICER WILLIS: Right, I really
25 don't want the testimony right now. I'm just

1 saying that that's what I'm requesting that you
2 do. Just to clarify that it makes sure that we're
3 all working with the same project and we
4 understand what the numbers are.

5 MR. HELM: Okay, we think the numbers in
6 the FSA are correct.

7 HEARING OFFICER WILLIS: Okay. And
8 that's all I'd like you to make sure you state in
9 your testimony.

10 Also, if -- there was a reference in the
11 staff assessment to a memorandum of understanding
12 between the Water District and I think it's dated
13 December 20, 2001.

14 MR. HELM: Yes.

15 HEARING OFFICER WILLIS: If you have a
16 copy of that, if you wouldn't mind -- I didn't see
17 it in the docket list -- but if you wouldn't mind
18 filing it and having it docketed, that would be
19 helpful, too.

20 MR. KRAMER: Would you want that to be
21 an exhibit then, ultimately?

22 HEARING OFFICER WILLIS: It could be.
23 It doesn't necessarily have to be if you don't
24 want to use it, but I think it would be -- I would
25 be interested to see it before we move forward.

1 MR. HELM: Yeah, we had provided this to
2 the staff at the time it was executed. And so
3 they do have copies of it. I can't explain why
4 it's not in the docket log.

5 HEARING OFFICER WILLIS: Yeah, either/
6 or, whoever has a copy. I just noticed it wasn't
7 part of the log.

8 Was there any further water and soil
9 conditions?

10 MR. HELM: No.

11 HEARING OFFICER WILLIS: Okay, thank
12 you. Staff, do you have any further issues on
13 water and soil?

14 MR. KRAMER: No.

15 HEARING OFFICER WILLIS: So, at this
16 point those were the topics that we know there are
17 disputes on.

18 Let's go back to outline B and these are
19 the ones that applicant identified as potentially
20 suitable for submission by declaration, but there
21 were some minor issues.

22 And maybe I'll just turn to Mr.
23 Wheatland. Biological resources, cultural
24 resources, hazardous materials, noise,
25 transmission system engineering and waste

1 management.

2 Are any of those topics -- are all those
3 topics still have questions?

4 MR. WHEATLAND: Yes.

5 HEARING OFFICER WILLIS: Okay. And
6 those topics will be discussed at one of the
7 workshops?

8 MR. WHEATLAND: Yes.

9 HEARING OFFICER WILLIS: So, for all
10 intents and purposes right now those could be part
11 of our hearing?

12 MR. WHEATLAND: Potentially, yes.

13 HEARING OFFICER WILLIS: Okay.

14 MR. WHEATLAND: And when we get to
15 (inaudible).

16 PRESIDING MEMBER PERNELL: We have an
17 extra microphone here.

18 (Pause.)

19 PRESIDING MEMBER PERNELL: Mr.
20 Wheatland, if --

21 MR. WHEATLAND: Yeah, all the issues on
22 outline B at this point are potentially suitable
23 for submission by declaration. But will require
24 some additional discussion with the staff at the
25 workshop.

1 And then when you get to outline A there
2 are a couple of other issues for which we have
3 very minor suggested changes or clarification
4 which we are hopeful will be resolved and can be
5 submitted by declaration. But I would like to
6 flag those for you, as well.

7 HEARING OFFICER WILLIS: Okay, let me go
8 back to staff on outline B. Is there any topic
9 under outline B -- you didn't identify other
10 issues, so in a sense we're working with
11 applicant.

12 MR. KRAMER: Right, we're put in the
13 position where we like our FSA pretty much, and
14 we're waiting to hear constructive criticism.

15 HEARING OFFICER WILLIS: If staff does
16 file a supplemental testimony I would ask that
17 there be some clarification on the nitrogen
18 deposition mitigation section. I was a little
19 confused on the BACT, best available control
20 technology, that's going to be used -- if that was
21 being used as mitigation, or if it was emission
22 reduction credits, or both. If you could just
23 provide some clarification on that.

24 Anything else, staff?

25 MR. KRAMER: No.

1 HEARING OFFICER WILLIS: Okay. Mr.
2 Wheatland.

3 MR. WHEATLAND: Would you like to turn
4 to a timeline?

5 HEARING OFFICER WILLIS: Let's go to A,
6 and if you can identify -- let me run through the
7 topics real quickly that we have presently
8 suitable for submission by declaration.

9 Alternatives; power plant efficiency;
10 power plant reliability; facility design; geology;
11 land use; public health; socioeconomics; traffic
12 and transportation; transmission line safety;
13 worker safety and fire protection.

14 And you said there were some of those
15 topics that you felt might pulled out of this
16 outline?

17 MR. WHEATLAND: Right, there's some very
18 minor points of correction or clarification that
19 we may have. We're still doing our final review.
20 And so I just wanted to flag these as potentially
21 for discussion at the workshop.

22 And those are facility design; paleo,
23 which is not on your topic outline but I assume
24 would be part of geology. We don't have any
25 concerns with geology, but we may have a minor

1 change in the paleo area.

2 Public health; traffic and
3 transportation; transmission line safety; and
4 worker safety and fire.

5 Again, I want to emphasize that these
6 are very minor points of clarification or
7 correction. We wouldn't anticipate any
8 substantive dispute in any of these except
9 possibly public health.

10 HEARING OFFICER WILLIS: Would that be
11 the condition?

12 MR. WHEATLAND: Yes.

13 HEARING OFFICER WILLIS: Thank you.
14 Staff, do you have any comments on outline A?

15 MR. KRAMER: We're waiting to hear.

16 PRESIDING MEMBER PERNELL: Okay, I think
17 we have identified most of the issues. I would
18 just say, though, it appears to me that we're
19 cramming a lot into the workshops.

20 And what I want to do, what the
21 Committee would like to see is that when we come
22 for hearings that we get these hearings done, you
23 know, within a finite amount of time. So I would
24 just urge the parties if you need to get
25 information to the staff so they can evaluate it,

1 let's do that. Let's get all of the supplemental
2 filings done -- and I'm speaking to both staff and
3 applicant here -- so that we can get this project
4 moving.

5 You know, I like being down here, this
6 is a great facility, but, you know, I think the
7 community wants to get on with it, get the power
8 plant built and let's get some economic
9 development rolling.

10 That is, if you can get the
11 certifications.

12 MR. WHEATLAND: Yes.

13 PRESIDING MEMBER PERNELL: So, I guess
14 my final point in saying all this is to say that I
15 think we're on an ambitious schedule; the
16 Committee wants to stay on that schedule. So, I
17 would ask that you guys work well, all of the
18 parties, get the information, get it evaluated.
19 And so when we start these hearings hopefully we
20 can be done in a day and a half or a couple of
21 days, whatever it takes.

22 But we will stay here until we get it
23 done, one way or another.

24 Ms. Willis, do you have some other --

25 HEARING OFFICER WILLIS: I just wanted

1 to go over some of the time limits on outline C
2 that the applicant proposed.

3 I know you'll be working at these issues
4 during the workshop, so at this point in time I
5 may have you resubmit your time estimates because
6 two hours for visual, an hour for rebuttal and two
7 hours for cross seems a bit lengthy for visual
8 issues.

9 So, maybe after the workshop both staff
10 and applicant can identify revised time estimates.

11 And I'd also like the applicant to
12 identify if there are any other witnesses; there
13 was an EMWD witness just identified that way. If
14 there's a witness coming from an agency we'll need
15 to have the name of that witness, as well.

16 PRESIDING MEMBER PERNELL: Mr.
17 Wheatland, on visual you think you need two hours?

18 MR. WHEATLAND: Well, that was a worst
19 case estimate assuming that we couldn't reach
20 resolution with the staff of the outstanding
21 issues. So that would be the outside or worst
22 case estimate of the time. I'm very hopeful that
23 after our discussions at the workshop we should be
24 able to substantially reduce that time estimate,
25 if not eliminate it entirely.

1 PRESIDING MEMBER PERNELL: Well, we
2 would encourage you to revisit that time.

3 MR. WHEATLAND: We certainly will.

4 HEARING OFFICER WILLIS: Is there
5 anything else on the issues portion?

6 MR. WHEATLAND: No, I have nothing.

7 MR. KRAMER: No.

8 HEARING OFFICER WILLIS: At this time
9 we'd like to -- I'd like to also remind both
10 parties that if there's any other documents you
11 wish to have included as exhibits please make sure
12 they've been docketed as soon as possible. I
13 think probably most things have been, but if
14 there's anything else outstanding, go ahead and do
15 that.

16 At this we can go ahead and take public
17 comment. And I --

18 MR. KRAMER: Question. Will we talk
19 about schedule at some point before we close?

20 HEARING OFFICER WILLIS: We will, --

21 MR. KRAMER: Okay.

22 HEARING OFFICER WILLIS: -- right after
23 the public comment.

24 Mr. Gibbons is our first; and if you
25 wouldn't mind coming up to the microphone.

1 PRESIDING MEMBER PERNELL: Mr. Gibbons,
2 could you come up here, please. Sorry.

3 HEARING OFFICER WILLIS: It's just that
4 we've got two microphones.

5 PRESIDING MEMBER PERNELL: Mr. Gibbons,
6 I'm told that's okay. You can sit anywhere you
7 want to.

8 HEARING OFFICER WILLIS: If you wouldn't
9 mind -- that amplifies and the other is for the --

10 MR. GIBBONS: This makes it easier for
11 me.

12 HEARING OFFICER WILLIS: Oh, great.

13 MR. GIBBONS: Thank you. My name is Bob
14 Gibbons. I am a member of the Romoland School
15 District Board. I am a member of the Harvest
16 Valley Community Council Board. I am Chairman of
17 the Harvest Valley Citizens Patrol. And I'm here
18 to speak on behalf of the energy project,
19 representing our community.

20 Number one, I'm very much in favor of
21 it. We, in the Harvest Valley area, and I call
22 this the Harvest Valley area, consist of Homeland,
23 Romoland and Green Acres area, are very much in
24 need of a project similar to this, or such as
25 this, for the betterment of our community.

1 This would bring jobs into our
2 community. We have new developments coming in.
3 We need energy to supply these new developments
4 that are coming in. We need shopping centers; we
5 need many many things in this community. This is
6 one way to help our citizens grow and prosper.

7 And with that, I thank you for letting
8 me speak.

9 PRESIDING MEMBER PERNELL: Thank you.

10 HEARING OFFICER WILLIS: Our next
11 speaker is George Olinger. I believe you had a
12 couple of questions?

13 MR. OLINGER: Oh, I just had some
14 questions.

15 HEARING OFFICER WILLIS: Sure. Go
16 ahead.

17 MR. OLINGER: My name is George Olinger.

18 HEARING OFFICER WILLIS: Can you come up
19 to a --

20 MR. OLINGER: I live over here on the
21 south side.

22 HEARING OFFICER WILLIS: I'm sorry, sir,
23 could you come to the microphone so we can make
24 sure to get this on record?

25 MR. OLINGER: Okay.

1 HEARING OFFICER WILLIS: Thank you.

2 MR. OLINGER: My name is George Olinger
3 and I live over here on the south side, up there
4 on the hill point behind the hospital.

5 And I'm a former manager of power
6 plants, L.A. County. And I'm retired now.

7 And my concern was on operations more
8 than anything else. And possibly the
9 contaminations of any hazardous materials such as
10 ammonia, and if that is being addressed correctly
11 through the --

12 PRESIDING MEMBER PERNELL: Is that the
13 question?

14 MR. OLINGER: That's really the
15 question.

16 PRESIDING MEMBER PERNELL: Yeah, we will
17 be covering that in our hearings under hazmat,
18 hazardous materials.

19 MR. OLINGER: Yeah, the hazmat.

20 PRESIDING MEMBER PERNELL: Yeah. And we
21 will -- that is one of the areas that we will be
22 covering. If it's by declaration with the two
23 parties, then still come to the meeting. We'll
24 bring that up and we'll have someone explain that.

25 MR. OLINGER: All right. And the other

1 was the brine line discharge.

2 PRESIDING MEMBER PERNELL: I'm sorry?

3 MR. OLINGER: How do you get rid of the
4 brine for the water softeners, the process of the
5 plant. It's wastewater disposal.

6 PRESIDING MEMBER PERNELL: Oh, what
7 happens to the wastewater?

8 MR. OLINGER: Yeah.

9 PRESIDING MEMBER PERNELL: We have
10 someone who can answer that question.

11 MR. HELM: The wastewater goes to what's
12 called the nonreclaimable --

13 PRESIDING MEMBER PERNELL: Could we get
14 your name?

15 MR. OLINGER: Nonreclaimable, right.

16 MR. HELM: Kris Helm. The wastewater
17 from the power plant goes to what's called the
18 nonreclaimable waste line. That goes all the way
19 to the Pacific Ocean at the Orange County
20 Sanitation District Wastewater Treatment Plant
21 Number 2.

22 MR. OLINGER: Yeah. How does it get to
23 the Pacific Ocean? We got a mountain in the way.

24 MR. HELM: Yeah, it tunnels right
25 through straight down the river all the way to the

1 wastewater plant, and out their ocean outfall.

2 MR. OLINGER: Oh.

3 MR. HELM: Right, that's an existing
4 line that starts in Sun City. So the Sun City
5 plant, I guess I'm turned around here --

6 (Parties speaking simultaneously.)

7 MR. HELM: Sun City I think is that way.
8 And from Sun City it goes all the way to the ocean
9 now. As part of this project we would extend the
10 brine line from the project site to the Sun City
11 wastewater treatment plant.

12 MR. OLINGER: Okay, that's at Newport
13 Road and Meadowview, I think.

14 MR. HELM: Right.

15 MR. OLINGER: Murietta.

16 MR. HELM: Right.

17 MR. OLINGER: Oh, okay. Yeah, I was
18 just concerned about the way the disposal was
19 going to take effect. And how you're going to get
20 rid of all that salt.

21 Okay, thank you.

22 PRESIDING MEMBER PERNELL: Well, thank
23 you, sir.

24 HEARING OFFICER WILLIS: I think we had
25 one more card from Richard Ward.

1 MR. WARD: Yes, my name is Richard Ward
2 and I had a couple questions on this. Basically
3 the school, the elementary school, they said they
4 were going to move the last time over on Antelope.
5 And why are they going to move that school?
6 Because for the kids in the area they say there's
7 no bussing to get them clear over to McCall where
8 they're going to build the school.

9 And if they're going to move the school,
10 why?

11 PRESIDING MEMBER PERNELL: Sir, I think
12 that's a question for the school board or the
13 superintendent.

14 MR. WARD: Well, they said because of
15 the power plant. And my understanding, the power
16 plant was going to pay for part of the school
17 being moved. So it had to do with the power
18 plant. Am I mistaken or something? Didn't I hear
19 at one of the meetings that the power plant was
20 going to pay to have part of that school moved
21 over there?

22 MR. KRAMER: I think the most he could
23 have heard was that the school district would have
24 liked the power plant to have done that, but I'm
25 not aware of any offer that's been made to do

1 that.

2 PRESIDING MEMBER PERNELL: Not at this
3 point, however there was some discussion by the
4 school superintendent about a desire to move the
5 school. And we have that on record during our
6 site visit, which was some time ago.

7 MR. WARD: Right, it was some time ago
8 that this was brought up. And, you know, now
9 they're planning on the new elementary school
10 being off of McCall because they've already
11 started, I guess, removing some of the stuff. And
12 they said the kids from this would have to go over
13 to there. That's my understanding.

14 Not that I have any kids in the school,
15 but it just comes into why would they move it, you
16 know. And I don't understand that unless it's a
17 health problem for the kids.

18 PRESIDING MEMBER PERNELL: I mean I
19 don't have the answer for you, but from my
20 understanding that school was pretty old. How old
21 is the elementary school?

22 MR. WARD: Oh, it's probably, I'd say 20
23 years old, but, I mean --

24 PRESIDING MEMBER PERNELL: Oh -- well, I
25 thought it was --

1 MR. WARD: So, I mean, I don't think --
2 it's not falling apart, but I just, I don't
3 understand, you know, because this all come up
4 when the power plant was going to be moved in
5 there. And then they said, well, now they shut it
6 down; they're not going to do it. Now the
7 school's going to stay. Now they said the
8 school's got to go again.

9 Now, this is just what I'm getting
10 feedback from the community, you know, and what I
11 picked up at the different meetings. And it's
12 just something that --

13 PRESIDING MEMBER PERNELL: Well, we've
14 only had, this is our second meeting.

15 MR. WARD: Well, --

16 PRESIDING MEMBER PERNELL: And I can't,
17 you know, comment on what's going on in the
18 community. I would suggest, though, that you get
19 with the policymakers at the school, which is the
20 school board and the school superintendent, and
21 find out exactly, you know, why and what's going
22 on.

23 MR. WARD: Well, that was brought up by
24 Bob Gibbons where he had one of the meetings, that
25 was brought up there, that they were going to move

1 the school. That's Harvest Valley Community
2 meeting, you know, and that was what I'm saying by
3 the community meetings.

4 PRESIDING MEMBER PERNELL: Right.

5 MR. WARD: That it was brought up there,
6 and then just one of my things is why they're
7 going to move it. And I just didn't see why they
8 were going to move it and put a hardship on the
9 children that lived right there next to it.

10 PRESIDING MEMBER PERNELL: Mr. Kramer,
11 did you have anything that --

12 MR. KRAMER: Well, it's the position of
13 the staff in our analysis we found that in effect
14 there's no connection between the power plant and
15 the school. The power plant would not cause any
16 particular problems for the school.

17 There are other general land use issues
18 that may relate to the school. I think it's fair
19 to say the staff thinks that the highway traffic
20 and some of the existing industrial uses in the
21 area are more of a threat to the school than the
22 power plant would be.

23 MR. WARD: Okay, --

24 MR. KRAMER: And there probably are good
25 reasons to move that. And where they propose to

1 move it and how they fund it, that's up to the
2 school district.

3 MR. WARD: Okay, well, see, this was
4 never brought up at the meetings. They were
5 blaming it all on the power plant, and I wanted to
6 find out. Now you're bringing some information
7 back that --

8 MR. KRAMER: Other people may differ
9 with us, but that's the staff's conclusion after
10 their analysis.

11 MR. WARD: Okay, well, that's what I
12 need to ask. And one other thing, you're talking
13 about this wastewater and flood control. Now, my
14 understanding, because I'm in construction,
15 they're going to build a pipeline almost from
16 Homeland all the way over to Lake Elsinore just to
17 get rid of the drainage water, what about the
18 plant's drainage water and all that? Will that go
19 into the same pipeline system they're talking
20 about, or have you heard about that?

21 PRESIDING MEMBER PERNELL: The question
22 is the drainage --

23 MR. WARD: The drain-off water, you
24 know, that --

25 PRESIDING MEMBER PERNELL: -- from the

1 plant.

2 MR. WARD: -- something around the plant
3 could get into the drainage water which feeds one
4 of the lakes that actually supplies us with water.

5 MR. McLUCAS: I'm Jim McLucas with
6 Calpine. I'm the Project Engineer. The drainage
7 water from the power plant will go where the water
8 presently drains, and that is to southeast corner
9 of the property. Any place where rainwater falls
10 within like containment areas for tanks and that
11 sort of thing, that water will be reclaimed and
12 used within the power plant and not discharged
13 offsite.

14 So we're just talking about landscaped
15 areas, paved areas that are outside of chemical
16 storage areas, that would then drain to a
17 stormwater retention pond, and from there to the
18 place where the rainwater presently drains.

19 In laying out the facility we've left
20 room for this future stormwater project, which, my
21 understanding is an open channel --

22 MR. WARD: Right.

23 MR. McLUCAS: -- immediately south of
24 the project site, between the project site and the
25 Edison 500 kV transmission lines. We've left room

1 for that project to go through there if and when
2 it happens.

3 MR. WARD: Okay, so then the water is
4 going to be separated --

5 MR. McLUCAS: The water would eventually
6 just drain in that channel just like all the rest
7 of the water.

8 MR. WARD: Right. Well, that's fine as
9 long as nothing around the plant is draining into
10 the system that I'm going to go back and drink and
11 glow at night.

12 MR. McLUCAS: Right.

13 MR. WARD: So, all right, thank you.

14 PRESIDING MEMBER PERNELL: All right,
15 thank you.

16 HEARING OFFICER WILLIS: Thank you. We
17 have Ms. Huertero. Would you state your full
18 name, please?

19 MS. HUERTERO: Yeah, my name is Dulce
20 Huertero. And I actually live like half a mile,
21 less than half a mile away where you guys are
22 planning to put the energy center. And I was just
23 wondering if there's going to be any health
24 concerns if I live there for like ten years --

25 PRESIDING MEMBER PERNELL: Sorry, would

1 you speak up a little?

2 MS. HUERTERO: Oh, I'm sorry. I was
3 just wondering if there was going to be any health
4 concerns in the future if I lived there for the
5 next ten years. Are you guys going to discuss the
6 health concerns like carcinogens, or any --

7 PRESIDING MEMBER PERNELL: The health
8 effects?

9 MS. HUERTERO: Yeah, the health effects
10 of living so close.

11 PRESIDING MEMBER PERNELL: That will be
12 covered in the hearing. If anyone wants to share
13 something now, either applicant or staff, of you
14 analysis, but I know that public health, I think,
15 is one of the topics we're going to be discussing.

16 MR. RUBENSTEIN: Hi, my name's Gary
17 Rubenstein. And just very briefly, we did take a
18 look at the health effects, and actually we take a
19 look at it fairly conservatively. We imagine that
20 you're living there for 70 years, not just ten
21 years.

22 And the analyses that we prepared were
23 reviewed by both the South Coast Air Quality
24 Management District and the Commission Staff.
25 Both of those agencies concluded, as did we, that

1 there will be no health risks from the air
2 pollutants associated by this project that would
3 exceed any of the significance levels at all.

4 MS. HUERTERO: What about like a low
5 frequency -- EMF? Don't you guys have like
6 certain electrical --

7 MR. RUBENSTEIN: I'm the air pollution
8 guy, so I'm going to have to ask somebody else to
9 talk about EMF.

10 MS. HUERTERO: -- about wave, like low
11 frequency emission wave --

12 MR. RUBENSTEIN: I understand what
13 you're asking about, but I was not the one who
14 looked at that.

15 PRESIDING MEMBER PERNELL: I'm sorry, we
16 didn't hear the question. Could you --

17 MR. RUBENSTEIN: The question had to do
18 with whether anyone took a look at EMF.

19 PRESIDING MEMBER PERNELL: EMF.

20 MR. RUBENSTEIN: EMF, electromagnetic
21 frequency, yeah. And --

22 MR. KRAMER: And the staff did in the
23 transmission safety and engineering section. If
24 you want some light reading, you could get a copy
25 of that section of our staff assessment, along

1 with the public health section. Ms. Mendonca
2 could help you get that. And that may answer your
3 questions.

4 MS. HUERTERO: Okay, thank you.

5 MR. KRAMER: Or put you to sleep.

6 MS. HUERTERO: All right, thanks.

7 (Laughter.)

8 PRESIDING MEMBER PERNELL: Thank you.

9 HEARING OFFICER WILLIS: Is there any
10 other public comment?

11 PRESIDING MEMBER PERNELL: We have --
12 yes, sir?

13 MR. ESTRADA: My name's Tino Estrada.
14 I'm a resident and I have kids here and grandkids.
15 And I haven't really kept up with a lot of the
16 stuff, information, so I just kind of want to pick
17 you guys' brains and stuff.

18 And I don't know what the noise level
19 was and who this plant's going to supply power to
20 mainly. Or if it's for everybody here. Some of
21 the questions that I wanted to ask already been
22 answered.

23 PRESIDING MEMBER PERNELL: Well, we're
24 going to have -- at the next hearing, this is kind
25 of a prehearing conference, but there will be a

1 project description at the next hearing which will
2 outline what the project looks like, what's it
3 going to do, how many megawatts, who it's going to
4 serve to answer those types of questions.

5 So we're allowing public comment, but a
6 lot of information will come out at the regular
7 hearing. And basically, if I could be blunt, what
8 this hearing is about is to make sure these two
9 parties got all of their ducks in order so when
10 you come and ask those questions they'll be able
11 to answer them. And if the Committee has any
12 questions.

13 But, again, we will, at the hearing
14 there will be a project description. If Mr.
15 Wheatland and some of them want to answer those
16 questions, you may, but I don't want to get too
17 deep into the technical aspects of it, but just a
18 general, you know, the megawatts and et cetera.

19 HEARING OFFICER WILLIS: And you might
20 want to do that after our prehearing conference is
21 over, if you don't mind hanging around for a
22 little bit.

23 MR. WHEATLAND: We'd be pleased to do
24 that.

25 HEARING OFFICER WILLIS: Okay. We also

1 have the staff -- sir, we also have a staff
2 assessment. And that does, as Mr. Kramer says, a
3 huge document, but it does provide an executive
4 summary and introduction and project description,
5 as well. So if you're interested, talk with Ms.
6 Mendonca.

7 PRESIDING MEMBER PERNELL: So we'll have
8 someone after this hearing to get your address and
9 get you some documents.

10 MR. ESTRADA: Thank you.

11 PRESIDING MEMBER PERNELL: Okay. We
12 also have Ms. Wiggins. I have a card here
13 Riverside County Transportation Commission. Would
14 you like to say something? Let it be known that
15 you're here?

16 MS. WIGGINS: Yes.

17 PRESIDING MEMBER PERNELL: The record
18 will reflect Ms. Wiggins.

19 Okay, is there any other public comment?
20 Any other public comment? We appreciate our
21 sister agency, Air Quality District here, as well.
22 I wanted to recognize them. Would you like to say
23 anything at this point, or --

24 MR. YEE: No.

25 PRESIDING MEMBER PERNELL: Okay.

1 HEARING OFFICER WILLIS: Before we move
2 on to the schedule, I did have one more question
3 or request to the applicant to identify the
4 project description, the megawatts that will be
5 used. It varies throughout both the staff
6 assessment and through the AFC as either 538 or
7 670.

8 And staff has used 670 with a peak, I
9 think, of 704 or somewhere like that. The AFC
10 says 538 with a peak of 670. And I think the FDOC
11 also uses the 538 and 670 numbers.

12 So, please be real clear about what it
13 is that's being licensed here. And also if the
14 numbers that the staff has used are not correct,
15 if those numbers somehow change anything, please
16 make sure that's worked out at your workshop.

17 MR. WHEATLAND: We will do so.

18 PRESIDING MEMBER PERNELL: I think that
19 goes directly to the previous speaker's question.
20 So, you know, that's one that we need some
21 clarification on.

22 MR. WHEATLAND: Very good.

23 HEARING OFFICER WILLIS: There was --

24 PRESIDING MEMBER PERNELL: We're on to
25 schedule.

1 HEARING OFFICER WILLIS: We're on to
2 schedule. First I'd like to discuss that staff
3 will be having a workshop on July 8th, and then
4 possibly the 14th of July. I guess my question is
5 when will applicant be filing their testimony?

6 MR. WHEATLAND: We discussed those dates
7 with the staff, and we would propose to file our
8 testimony on Wednesday, July 16th.

9 PRESIDING MEMBER PERNELL: Let me just
10 ask, are those dates certain? Is there
11 availability for those dates?

12 MR. KRAMER: For the 8th and 14th --

13 PRESIDING MEMBER PERNELL: Yes.

14 MR. KRAMER: -- there's availability.

15 PRESIDING MEMBER PERNELL: Okay, so the
16 dates are locked in.

17 HEARING OFFICER WILLIS: Is there any
18 way that everything can be done on the 8th?

19 MR. KRAMER: It's an applicant's
20 scheduling issue.

21 HEARING OFFICER WILLIS: Okay. My
22 concern is that if you file on the 16th and we
23 give staff a week to respond, that's only a week
24 before hearings, and that doesn't give us much
25 time to try to even know what we're going to be

1 having on those hearings.

2 So, it's pushing it pretty tightly. So
3 I'd prefer if you could come up with an earlier
4 date than the 14th for your workshop.

5 MR. WHEATLAND: We can look at the list
6 of issues and move as many as we possibly can to
7 the 8th. But we're not certain we can move all of
8 the issues to the 8th. It has to do with some
9 other conflicting schedules that we have for the
10 people that need to be available to us. But we
11 can try to look at those issues and move as many
12 as possible to the 8th.

13 HEARING OFFICER WILLIS: Mr. Kramer, is
14 it fair to give a week for staff to file
15 supplemental testimony, or would you need more
16 time?

17 MR. KRAMER: Well, -- time, I think we
18 could live with that because we'll have to sort of
19 anticipate some of the testimony, but I was hoping
20 for a little more time, but --

21 HEARING OFFICER WILLIS: Ten days?

22 MR. KRAMER: Ten days would certainly be
23 better if we can get it. Just because internally
24 we -- I have many masters and they all need to
25 review it. And it takes a little while to read

1 their materials, digest them and decide what you
2 want to say.

3 HEARING OFFICER WILLIS: So your date,
4 we may be moving that up; that will be reflected
5 in the hearing order. But we may be requesting
6 testimony from applicant earlier than the 16th.

7 MR. WHEATLAND: Well, we had discussed
8 with the staff the possibility of them filing any
9 additional testimony they would have on the 25th.

10 HEARING OFFICER WILLIS: I'm just saying
11 that's not enough time for the Committee to review
12 all that before we got into hearings. We're
13 requesting, we're going to have two weeks to
14 review everything before we go. So that -- the
15 staff assessment has been out since May 23rd. So
16 it's been out for a month. That's plenty of time
17 to identify those issues and submit information to
18 staff during this last month.

19 If we want to use this next month we may
20 need to be then pushing the hearings out to August
21 or September. So that's kind of your choice. If
22 you can't file testimony until towards the end of
23 July, then we'd need to rethink the dates for
24 those hearings. If we want to have the hearings
25 in July we'll need the testimony earlier.

1 MR. WHEATLAND: And when would the
2 Committee be considering having our testimony be
3 due?

4 HEARING OFFICER WILLIS: I would have to
5 look at a schedule, but we'd like to have staff's
6 testimony to us no later than two weeks before
7 hearings.

8 MR. WHEATLAND: Two weeks before
9 hearings. Well, if -- on behalf of our team here
10 today, if there's some dates the Committee has in
11 mind, perhaps we could take a brief recess and I
12 can discuss it?

13 HEARING OFFICER WILLIS: We're not
14 prepared to give you the date at this point.
15 We're just trying to figure out the schedule so
16 that we can work out the schedule and then put
17 that in the hearing order.

18 I'm just letting you know at this point
19 in time that if you can't file -- if all the
20 testimony can't be in within two weeks before the
21 July 30th hearing date, then there may need to be
22 a postponement in the hearings. And that would --
23 we'd have to then go back through everybody's
24 schedule once more and try to --

25 PRESIDING MEMBER PERNELL: Yeah, I don't

1 think you would want that. I would suggest that
2 you work with the hearing dates and then work
3 backwards. But the Committee is willing to take a
4 ten-minute recess and we'll come back in ten
5 minutes and continue.

6 We're off the record.

7 (Brief recess.)

8 PRESIDING MEMBER PERNELL: Okay, would
9 everyone take their seats, please. We're back on
10 the record. Ms. Willis.

11 HEARING OFFICER WILLIS: Okay, we just
12 returned from a break. Mr. Wheatland, did you
13 have any further comment on scheduling?

14 MR. WHEATLAND: Yes, we do. And first
15 let me just state that our preference would be to
16 file -- I'm going to state for you first our
17 preference and then I'm going to state for you an
18 alternative schedule that the applicant would be
19 prepared to meet.

20 Our preference would be to have the
21 workshops, as mentioned, on the 8th and the 14th.
22 And to file our testimony on the 16th. And if
23 there was another date for the evidentiary
24 hearings in August, that would be our preference.

25 That meant the staff could file their

1 testimony and further errata around the 25th or so
2 of July, and perhaps hearings in August.

3 If those dates are not available for
4 evidentiary hearings in August, then we would
5 prefer to keep this project moving forward and not
6 suffer that delay. So we would be prepared to
7 file our testimony on all subject areas by July
8 9th, and would propose that the staff file their
9 errata on July 16th, which would be two weeks
10 before the commencement of the evidentiary
11 hearings.

12 And we'd still like to keep the workshop
13 on air issues on July 8.

14 HEARING OFFICER WILLIS: Okay, staff, do
15 you have any comments on that?

16 MR. KRAMER: We'd like slightly more
17 than a week to respond, but at that point we're
18 having to file our responses two days after the
19 workshop, the second workshop on the 14th, at
20 which most of the issues will be covered.

21 MR. WHEATLAND: Well, I presume -- if I
22 could just interject, I presume that we wouldn't
23 have that workshop on -- well, we could still have
24 it, but it may --

25 MR. KRAMER: Everything would be on the

1 8th?

2 MR. WHEATLAND: We'd have to do what we
3 could do on the 8th.

4 MR. KRAMER: Okay, so everything would
5 be on the 8th. I guess we're going to be busy on
6 the 8th at the workshop anyway, so having them
7 file on the 8th wouldn't help much. But that's
8 going to be tight for us. And we may have to
9 request a little bit of indulgence.

10 Maybe the Committee could give us a day
11 out of their portion?

12 PRESIDING MEMBER PERNELL: All you want
13 is one day? That's about all we can give up.

14 MR. KRAMER: Well, that's better than
15 nothing.

16 PRESIDING MEMBER PERNELL: This is
17 called true compromise here.

18 HEARING OFFICER WILLIS: Okay, we'll
19 take your comments into consideration. Thank you.

20 As far as if we do go ahead, and I think
21 we are prepared to go ahead on the 30th and 31st,
22 the applicant, for their briefing schedule, they
23 had proposed August 22nd for opening briefs, and
24 September 2nd, which is a day after Labor Day for
25 reply briefs.

1 Now I'd be inclined to move that date
2 out a little bit, but I'd like applicant and
3 staff's comments on those two dates. I guess it's
4 applicant-proposed and I'll ask staff.

5 MR. KRAMER: Certainly that's fine with
6 me. I wasn't doing much over Labor Day weekend,
7 and at that point it would be in the hands of the
8 other staff members to review it. So, that met my
9 wishes for sufficient time to respond. So that
10 would be acceptable to us.

11 If you want to move the reply out even
12 further, we don't object to that.

13 HEARING OFFICER WILLIS: Okay. Any
14 further comment on that?

15 MR. WHEATLAND: No, no further comment,
16 thank you.

17 HEARING OFFICER WILLIS: Okay. So at
18 this point in time is there any other comments on
19 the schedule?

20 MR. WHEATLAND: Yes, I just had one
21 request. To accommodate the briefing schedule if
22 you could please ask the reporting services to
23 turn around the transcripts from the evidentiary
24 hearings in a seven- to ten-day timeframe, then
25 that would allow us sufficient time to review the

1 transcripts and draft the briefs.

2 HEARING OFFICER WILLIS: That's already
3 been -- thank you.

4 PRESIDING MEMBER PERNELL: I think he's
5 indicating that we can -- you can have it in that
6 timeframe.

7 MR. WHEATLAND: Okay.

8 PRESIDING MEMBER PERNELL: I love this
9 cooperation here. Everybody working together.

10 HEARING OFFICER WILLIS: So at this time
11 the proposed dates for the evidentiary hearing
12 will be July 30th and 31st. Most likely we would
13 begin around the same time depending on we may
14 start a little bit earlier than around 1:00 and
15 continue through the evening depending on what
16 topics would be proposed.

17 I would ask that -- would probably ask
18 that applicant and staff file something either
19 with their testimony that indicates which topics
20 are still outstanding. And that way we can go
21 ahead and figure out what the schedule's going to
22 be.

23 So, in the hearing order, which will be
24 issued beforehand, we're going to have to -- we'll
25 put in topics that I guess may be removed at some

1 point in time. So we'll have that understanding.

2 The next day on the 31st we'll use as a
3 carry-over day. And we may or may not need that
4 day.

5 Is there any other comment today before
6 we close?

7 MR. KRAMER: One comment. Just wanted
8 to confirm with Mr. Wheatland that our July 8th
9 workshop is predicated on our receipt by June 30th
10 at noon of their summary of their proposals,
11 comments and suggested language.

12 MR. WHEATLAND: That's my understanding,
13 yes.

14 MR. KRAMER: Thank you.

15 HEARING OFFICER WILLIS: Any other
16 comment from the public?

17 PRESIDING MEMBER PERNELL: Thank you,
18 Ms. Willis. Is there any other business to come
19 before this Committee? Any other business to come
20 before this Committee? Hearing none, the
21 Committee's adjourned.

22 Thank you all for coming.

23 (Whereupon, at 2:35 p.m., the prehearing
24 conference was adjourned.)

25 --o0o--

CERTIFICATE OF REPORTER

I, JAMES RAMOS, an Electronic Reporter,
do hereby certify that I am a disinterested person
herein; that I recorded the foregoing California
Energy Commission Prehearing Conference; that it
was thereafter transcribed into typewriting.

I further certify that I am not of
counsel or attorney for any of the parties to said
conference, nor in any way interested in outcome
of said conference.

IN WITNESS WHEREOF, I have hereunto set
my hand this 2nd day of July, 2003.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345